

---

ENGROSSED SUBSTITUTE HOUSE BILL 2344

---

State of Washington

61st Legislature

2009 Regular Session

By House Ways & Means (originally sponsored by Representative Haigh)

READ FIRST TIME 04/20/09.

1 AN ACT Relating to resident undergraduate tuition; amending RCW  
2 28B.15.068; adding a new section to chapter 28B.15 RCW; and creating a  
3 new section.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 28B.15.068 and 2007 c 151 s 1 are each amended to read  
6 as follows:

7 (1) Beginning with the 2007-08 academic year and ending with the  
8 2016-17 academic year, tuition fees charged to full-time resident  
9 undergraduate students, except in academic years 2009-10 and 2010-11,  
10 may increase no greater than seven percent over the previous academic  
11 year in any institution of higher education. Annual reductions or  
12 increases in full-time tuition fees for resident undergraduate students  
13 shall be as provided in the omnibus appropriations act, within the  
14 seven percent increase limit established in this section. For academic  
15 years 2009-10 and 2010-11 the omnibus appropriations act may provide  
16 tuition increases greater than seven percent. To the extent that state  
17 appropriations combined with tuition and fee revenues are insufficient  
18 to achieve the total per-student funding goals established in

1 subsection (2) of this section, the legislature may revisit state  
2 appropriations, authorized enrollment levels, and changes in tuition  
3 fees for any given fiscal year.

4 (2) The state shall adopt as its goal total per-student funding  
5 levels, from state appropriations plus tuition and fees, of at least  
6 the sixtieth percentile of total per-student funding at similar public  
7 institutions of higher education in the global challenge states. In  
8 defining comparable per-student funding levels, the office of financial  
9 management shall adjust for regional cost-of-living differences; for  
10 differences in program offerings and in the relative mix of lower  
11 division, upper division, and graduate students; and for accounting and  
12 reporting differences among the comparison institutions. The office of  
13 financial management shall develop a funding trajectory for each four-  
14 year institution of higher education and for the community and  
15 technical college system as a whole that when combined with tuition and  
16 fees revenue allows the state to achieve its funding goal for each  
17 four-year institution and the community and technical college system as  
18 a whole no later than fiscal year 2017. The state shall not reduce  
19 enrollment levels below fiscal year 2007 budgeted levels in order to  
20 improve or alter the per-student funding amount at any four-year  
21 institution of higher education or the community and technical college  
22 system as a whole. The state recognizes that each four-year  
23 institution of higher education and the community and technical college  
24 system as a whole have different funding requirements to achieve  
25 desired performance levels, and that increases to the total per-student  
26 funding amount may need to exceed the minimum funding goal.

27 (3) By September 1st of each year beginning (~~{fin}~~) in 2008, the  
28 office of financial management shall report to the governor, the higher  
29 education coordinating board, and appropriate committees of the  
30 legislature with updated estimates of the total per-student funding  
31 level that represents the sixtieth percentile of funding for comparable  
32 institutions of higher education in the global challenge states, and  
33 the progress toward that goal that was made for each of the public  
34 institutions of higher education.

35 (4) As used in this section, "global challenge states" are the top  
36 performing states on the new economy index published by the progressive  
37 policy institute as of July 22, 2007. The new economy index ranks  
38 states on indicators of their potential to compete in the new economy.

1 At least once every five years, the office of financial management  
2 shall determine if changes to the list of global challenge states are  
3 appropriate. The office of financial management shall report its  
4 findings to the governor and the legislature.

5 (5) During the 2009-10 and the 2010-11 academic years, institutions  
6 of higher education shall include information on their billing  
7 statements notifying students of tax credits available through the  
8 American opportunity tax credit provided in the American recovery and  
9 reinvestment act of 2009.

10 NEW SECTION. Sec. 2. A new section is added to chapter 28B.15 RCW  
11 to read as follows:

12 (1) The higher education coordinating board, in coordination with  
13 higher education stakeholders, shall review options and make  
14 recommendations on a tuition policy that allows flexibility,  
15 accessibility, and differentiation among Washington's various public  
16 baccalaureate tuition rates. Recommendations shall support the  
17 implementation of the strategic master plan for higher education  
18 including consideration of policies that address student access,  
19 equity, and academic quality.

20 (2) The board shall examine policies that couple higher tuition  
21 with higher institutional need-based financial aid; differential  
22 tuition rates based on family income; differential tuition rates based  
23 on institutional mission, campus, credit hours, academic program, and  
24 delivery method; and policies that encourage collaboration and  
25 coordination among institutions of higher education and that facilitate  
26 coenrollment among multiple institutions, including enrollment in  
27 online learning courses.

28 (3) Each option shall be assessed in terms of administrative  
29 feasibility, interactions with and implications for state and federal  
30 financial aid tuition programs, and impacts on students of different  
31 income levels.

32 (4) The board shall report its findings and recommendations to the  
33 governor and to the appropriate committees of the legislature by  
34 November 1, 2009.

35 NEW SECTION. Sec. 3. (1) Within existing resources, the joint  
36 legislative audit and review committee shall complete a systemic

1 performance audit of the state universities, regional universities, and  
2 The Evergreen State College. The purpose of the audit is to create a  
3 transparent link between revenues, expenditures, and performance  
4 outcomes as outlined in the performance agreements developed under RCW  
5 28B.10.920 and the strategic master plan for higher education as  
6 adopted by the legislature. The study shall:

7 (a) Identify standardized categories of costs that will allow  
8 comparison across various administrative, student support, and academic  
9 functions;

10 (b) Based on available management data, estimate current annual  
11 costs at each institution for the various cost categories;

12 (c) Based on available management data, identify fund sources that  
13 support the cost categories at each institution; and

14 (d) Identify barriers or gaps in data linking revenues,  
15 expenditures, and performance agreement outcome measures.

16 (2) The auditor shall report findings and recommendations to the  
17 appropriate committees of the legislature by December 1, 2010. The  
18 report shall include, but is not limited to, the following elements as  
19 they relate to the purpose of the audit:

20 (a) The identification of cost savings and programs or services  
21 that could be eliminated;

22 (b) Analysis of gaps or overlaps in programs or services and  
23 recommendations to correct gaps or overlaps;

24 (c) Feasibility of pooling technology systems or elements of  
25 technology systems pursuant to chapter \_\_\_ RCW (Second Substitute House  
26 Bill No. 1946), Laws of 2009;

27 (d) Recommendations for statutory or regulatory changes that may be  
28 necessary for the state universities, regional universities, and The  
29 Evergreen State College to meet performance agreement objectives  
30 mutually agreed upon pursuant to RCW 28B.10.922; and

31 (e) Recommendations on the development of a uniform higher  
32 education performance, budgeting, accounting and reporting system.

--- END ---